

**GREAT EASTERN LIFE ASSURANCE (MALAYSIA)
BERHAD**
198201013982 (93745-A)
(Incorporated in Malaysia)

Interim condensed financial statements
For the six months ended 30 June 2022

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
(Incorporated in Malaysia)

Interim condensed financial statements for the six months ended 30 June 2022

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GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
(Incorporated in Malaysia)

Statement by Directors

We, Ng Hon Soon and Siew Kah Toong, being two of the directors of Great Eastern Life Assurance (Malaysia) Berhad, do hereby state that, in the opinion of the Directors, the accompanying interim condensed financial statements set out on pages 2 to 60 are drawn up in accordance with Malaysian Financial Reporting Standard 134: Interim Financial Reporting ("MFRS 134") and International Accounting Standard 34: Interim Financial Reporting ("IAS 34"), and Bank Negara Malaysia's policy document on Financial Reporting [BNM/RH/PD 032-13] dated 27 September 2019 so as to give a true and fair view of the financial position of the Company as at 30 June 2022 and of the results and cash flows of the Company for the period then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 26 July 2022.



Ng Hon Soon



Siew Kah Toong

Kuala Lumpur
26 July 2022

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
(Incorporated in Malaysia)

CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2022

	Note	30.06.2022 RM'000	31.12.2021 RM'000
Assets			
Property and equipment			
- Owned		294,979	303,982
- Right-of-use assets		17,978	18,276
Intangible assets		164,013	162,177
Investment properties		978,081	1,214,270
Non current assets held for sales		238,000	-
Investments	10	81,304,880	84,148,012
Derivatives	14	-	7,331
Reinsurance assets	11	120,839	128,057
Insurance receivables	12	323,146	354,683
Other receivables		881,808	741,786
Tax recoverable		7,120	-
Cash and bank balances		4,690,090	4,510,191
Total assets		89,020,934	91,588,765
Equity			
Share capital		100,000	100,000
Retained earnings		4,338,742	4,183,941
Other comprehensive income fair value reserves		(89,135)	(54,664)
Total equity		4,349,607	4,229,277
Liabilities			
Insurance contract liabilities	13	82,139,709	84,633,108
Derivatives	14	57,187	23,764
Agents' retirement benefits		894,374	884,985
Deferred tax liabilities		472,934	586,011
Other financial liabilities		158,649	45,232
Insurance payables	15	331,879	376,654
Provision for taxation		-	200,427
Lease liabilities		2,776	2,941
Other payables		613,819	606,366
Total liabilities		84,671,327	87,359,488
Total equity and liabilities		89,020,934	91,588,765

The accompanying notes form an integral part of the interim condensed financial statements.

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
(Incorporated in Malaysia)

CONDENSED STATEMENT OF PROFIT OR LOSS
FOR THE SIX MONTHS ENDED 30 JUNE 2022

		01.01.2022	01.01.2021
		to	to
		30.06.2022	30.06.2021
	Note	RM'000	RM'000
Gross earned premiums	16(a)	4,577,616	4,511,969
Earned premiums ceded to reinsurers	16(b)	(183,502)	(200,068)
Net earned premiums		<u>4,394,114</u>	<u>4,311,901</u>
Net investment income	17	1,754,703	1,748,595
Net realised gains and losses		(69,286)	(131,465)
Net fair value gains and losses		(4,192,490)	(2,571,264)
Decrease/(increase) in provision for impairment of:			
Insurance receivables		849	1,101
Other receivables		(62)	(42)
Investments		(8,092)	(20,810)
Fees and commission income		4,080	107,275
Other operating revenue		88,195	66,666
Other revenue		<u>(2,422,103)</u>	<u>(799,944)</u>
Gross benefits and claims paid	18(a)	(3,638,832)	(3,001,242)
Claims ceded to reinsurers	18(b)	204,697	164,901
Gross change in contract liabilities	18(c)	2,779,008	849,878
Change in contract liabilities ceded to reinsurers	18(d)	(7,387)	2,269
Net benefits and claims		<u>(662,514)</u>	<u>(1,984,194)</u>
Fees and commission expense		(656,438)	(675,127)
Management expenses	19	(268,793)	(271,064)
Other operating expenses		(679)	(466)
Taxation attributable to life insurance business	21(a)	305,257	114,027
Other expenses		<u>(620,653)</u>	<u>(832,630)</u>
Profit before taxation attributable to shareholders		688,844	695,133
Taxation		109,106	(50,319)
Taxation attributable to life insurance business		(305,257)	(114,027)
Taxation attributable to shareholders	21(b)	(196,151)	(164,346)
Net profit for the period		<u>492,693</u>	<u>530,787</u>
Earnings per share (sen)			
Basic and diluted		<u>493</u>	<u>531</u>

The accompanying notes form an integral part of the interim condensed financial statements.

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
(Incorporated in Malaysia)

CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2022

	01.01.2022	01.01.2021
	to	to
	30.06.2022	30.06.2021
	RM'000	RM'000
Net profit for the period	492,693	530,787
Other comprehensive income/(loss):		
Other comprehensive income that will not be reclassified to statement of profit or loss in subsequent periods (net of tax):		
Net gain on equity instrument designated at fair value through other comprehensive income ("FVOCI")	7,789	675
Tax effects thereon	533	(99)
Net other comprehensive income that will not be reclassified to statement of profit or loss in subsequent periods (net of tax)	<u>8,322</u>	<u>576</u>
Other comprehensive loss that may be reclassified to statement of profit or loss in subsequent periods (net of tax):		
Debt instruments at FVOCI:		
Net loss arising during the period	(79,847)	(65,936)
Changes in allowance for Expected Credit Loss ("ECL")	2,975	6,722
Net realised loss/(gain) transferred to statement of profit or loss	9,489	(3,109)
	<u>(67,383)</u>	<u>(62,323)</u>
Tax effects thereon	6,698	5,811
Net other comprehensive loss that may be reclassified to statement of profit or loss in subsequent periods (net of tax)	<u>(60,685)</u>	<u>(56,512)</u>
Other comprehensive loss for the period, net of tax	<u>(52,363)</u>	<u>(55,936)</u>
Total comprehensive income for the period, net of tax	<u>440,330</u>	<u>474,851</u>

The accompanying notes form an integral part of the interim condensed financial statements.

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2022

	Share Capital RM'000	Non-Distributable			Distributable			Total Equity RM'000
		Fair Value Reserves			Retained Earnings			
		Non- participating Fund RM'000	Shareholder's Fund RM'000	Sub-total RM'000	Non- participating Fund* RM'000	Shareholder's Fund RM'000	Sub-total RM'000	
At 1 January 2021	100,000	56,251	(16,704)	39,547	985,297	2,600,889	3,586,186	3,725,733
Net profit/(loss) for the period	-	-	-	-	531,187	(400)	530,787	530,787
Other comprehensive loss for the period	-	(52,231)	(3,705)	(55,936)	-	-	-	(55,936)
Total comprehensive (loss)/income for the period	-	(52,231)	(3,705)	(55,936)	531,187	(400)	530,787	474,851
Transfer of fair value reserve of equity instruments designated at FVOCI (net of tax)	-	4,444	(1,670)	2,774	(4,444)	1,670	(2,774)	-
Dividends paid during the period (Note 6)	-	-	-	-	-	(250,000)	(250,000)	(250,000)
At 30 June 2021	100,000	8,464	(22,079)	(13,615)	1,512,040	2,352,159	3,864,199	3,950,584
At 1 January 2022	100,000	(19,256)	(35,408)	(54,664)	1,103,595	3,080,346	4,183,941	4,229,277
Net profit/(loss) for the period	-	-	-	-	534,664	(41,971)	492,693	492,693
Other comprehensive loss for the period	-	(40,662)	(11,701)	(52,363)	-	-	-	(52,363)
Total comprehensive (loss)/income for the period	-	(40,662)	(11,701)	(52,363)	534,664	(41,971)	492,693	440,330
Transfer of fair value reserve of equity instruments designated at FVOCI (net of tax)	-	11,492	6,400	17,892	(11,492)	(6,400)	(17,892)	-
Dividends paid during the period (Note 6)	-	-	-	-	-	(320,000)	(320,000)	(320,000)
At 30 June 2022	100,000	(48,426)	(40,709)	(89,135)	1,626,767	2,711,975	4,338,742	4,349,607

* The non-distributable retained earnings represent the unallocated surplus from the Non-participating Funds. In accordance with Section 83 *Withdrawal from insurance funds* of the Financial Services Act, 2013, the unallocated surplus of Non-participating Funds is only available for distribution to the shareholder upon approval/recommendation by the Appointed Actuary.

The accompanying notes form an integral part of the interim condensed financial statements.

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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CONDENSED STATEMENT OF CASH FLOW
FOR THE SIX MONTHS ENDED 30 JUNE 2022

	Note	01.01.2022 to 30.06.2022 RM'000	01.01.2021 to 30.06.2021 RM'000
Operating activities			
Cash used in operating activities	22	(995,290)	(308,860)
Dividend/distribution income received		573,398	635,909
Interest/profit income received		1,136,251	1,123,517
Rental income on investment properties received		34,120	35,288
Agents' retirement benefit paid		(21,787)	(27,476)
Income tax paid		(204,286)	(226,647)
Net cash flows generated from operating activities		<u>522,406</u>	<u>1,231,731</u>
Investing activities			
Proceeds from disposal of property and equipment		3	-
Purchase of property and equipment		(2,893)	(45,766)
Purchase of intangible assets		(17,514)	(24,546)
Proceeds from disposal of intangible assets		149	-
Purchase of investment properties		(1,786)	(149)
Net cash flows used in investing activities		<u>(22,041)</u>	<u>(70,461)</u>
Financing activities			
Dividends paid to equity holder		(320,000)	(250,000)
Payment of principal portion of lease liabilities		(466)	(570)
Net cash flows used in financing activities		<u>(320,466)</u>	<u>(250,570)</u>
Net increase in cash and cash equivalents		179,899	910,700
Cash and cash equivalents at beginning of period		<u>4,510,191</u>	<u>3,544,142</u>
Cash and cash equivalents at end of period		<u>4,690,090</u>	<u>4,454,842</u>
Cash and cash equivalents comprise:			
Cash and bank balances		2,315,490	1,814,242
Short term deposits with original maturity periods of less than 3 months		2,374,600	2,640,600
		<u>4,690,090</u>	<u>4,454,842</u>
Reconciliation of liabilities arising from financing activities:			
Lease liabilities			
Beginning of period		2,941	3,827
Additions/(reversal)		280	(103)
Payment of lease liabilities		(466)	(570)
Interest expense on lease liabilities (Note 19)		21	70
End of period		<u>2,776</u>	<u>3,224</u>

The accompanying notes form an integral part of the interim condensed financial statements.

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS - 30 JUNE 2022

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

The interim condensed financial statements of Great Eastern Life Assurance (Malaysia) Berhad ("the Company") are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134 - Interim Financial Reporting as issued by the Malaysian Accounting Standards Board ("MASB") and International Accounting Standard ("IAS") 34 - Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB").

The interim condensed financial statements of the Company have been prepared under the historical cost convention, unless otherwise stated in the accounting policies.

As at the reporting date, the Company has met the minimum capital adequacy requirements as prescribed under the Risk-Based Capital ("RBC") Framework issued by Bank Negara Malaysia ("BNM").

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's audited financial statements for the financial year ended 31 December 2021.

The notes attached to the interim condensed financial statements provide an explanation of events and transactions that are significant to gain an understanding of the changes in the financial position and performance of the Company since the financial year ended 31 December 2021.

The interim condensed financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand ("RM'000") except when otherwise indicated.

The interim condensed financial statements were approved for issue by the Board of Directors on 26 July 2022.

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

1.2 CHANGES IN ACCOUNTING POLICIES

(a) New and amended standards and interpretations

The significant accounting policies in these interim condensed financial statements are consistent with those adopted in the financial statements for the financial year ended 31 December 2021, except for the adoption of the following standards, amendments to standards and interpretation of standards:

On 1 January 2022, the Company adopted the following amended MFRSs mandatory for annual financial periods beginning on or after 1 January 2022.

- Amendments to MFRS 116 *Proceeds before Intended Use*
- Amendments to MFRS 3 *Reference to the Conceptual Framework*
- Amendments to MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRSs 2018 – 2020 Cycle)*
- Annual Improvements to Illustrative Example accompanying MFRS 16 *Leases: Lease Incentives*
- Amendments to MFRS 137 *Onerous Contracts – Cost of Fulfilling a Contract*
- Amendments to MFRS 9 *Financial Instruments Fees in the 10 per cent Test for Derecognition of Financial Liabilities (Annual Improvements to MFRSs 2018 – 2020 Cycle)*

The adoption of the above did not have any significant effects on the interim condensed financial statements upon their initial recognition.

(b) Standards issued but not yet effective

The following are standards, amendments to standards and interpretation to standards issued by MASB that will be effective for the Company in future years. The Company intends to adopt these standards, amendments to standards and interpretation to standards, if applicable, when they become effective.

Effective for financial periods beginning on or after 1 January 2023

- Amendments to MFRS 101 *Classification of liabilities as current or non-current*
- Amendments to MFRS 101, MFRS Practice Statement 2 *Disclosure of Accounting Policies* and MFRS 108 *Definition of Accounting Estimates*
- MFRS 17 *Insurance Contracts* and its amendments
- Amendment to MFRS 112 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- Amendment to MFRS 17 *Initial Application of MFRS 17 and MFRS 9 - Comparative Information*

**GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
(Incorporated in Malaysia)**

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D.)

1.2 CHANGES IN ACCOUNTING POLICIES (CONT'D.)

(b) Standards issued but not yet effective (Cont'd.)

Deferred

- Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The management expects that the adoption of the above standards, amendments to standards and interpretation to standards issued by MASB, but not yet effective, will have no material impact on the financial statements in the period of initial application except as discussed below:

MFRS 17 Insurance Contracts

In August 2017, MFRS 17 was issued, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure, which replaces MFRS 4.

The original effective date for MFRS 17 was for annual periods beginning on or after 1 January 2021. On 25 June 2020, the International Accounting Standards Board (“IASB”) has issued amendments to the IFRS 17 Insurance Contracts which has deferred the effective dates of IFRS 17 and temporary exemption of the adoption of IFRS 9 for qualifying insurers to annual reporting periods beginning on or after 1 January 2023.

The Malaysian Accounting Standard Board has issued the amendments to MFRS 17 Insurance Contracts on 17 August 2020.

The Company plans to adopt the new standard on the required effective date and a Project Steering Committee has been formed to oversee the implementation of MFRS 17. The Company expects that the new standard will result in an important change to the accounting policies for insurance contract liabilities of the Company and is likely to have a significant impact on profit and total equity together with the Company’s financial statements’ presentation and disclosures.

2. SEASONALITY OF OPERATIONS

The business and operations of the Company were not materially affected by any seasonal or cyclical fluctuations during the interim financial period.

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3. UNUSUAL ITEMS

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows for the interim financial period ended 30 June 2022.

4. CHANGE IN ESTIMATES

There were no significant changes in the bases used for applying accounting estimates of the Company for the interim financial period.

5. DEBT AND EQUITY SECURITIES

There were no issuance, repurchase and repayment of debt and equity securities by the Company during the interim financial period.

6. DIVIDENDS

A final single tier dividend of RM3.20 (2020: RM2.50) per ordinary share on 100,000,005 ordinary shares amounting to RM320,000,016 (2020: RM250,000,013) for the financial year ended 31 December 2021 was approved at the last Annual General Meeting held on 13 April 2022 and this dividend was paid in full on 28 April 2022.

7. MATERIAL EVENTS SUBSEQUENT TO THE END OF INTERIM PERIOD

There are no material events subsequent to the end of the interim reporting period that have not been reflected in the interim condensed financial statements.

8. CHANGES IN THE COMPOSITION OF THE COMPANY

There is no change in the composition of the Company during the interim financial period.

9. PROPERTY AND EQUIPMENT

During the six months ended 30 June 2022, the Company acquired assets with a cost of RM4,679,000 (the six months ended 30 June 2021: RM45,915,000).

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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10. INVESTMENTS

	30.06.2022				31.12.2021			
	Shareholder's Fund RM'000	Life Insurance Fund RM'000	Unit-linked RM'000	Total RM'000	Shareholder's Fund RM'000	Life Insurance Fund RM'000	Unit-linked RM'000	Total RM'000
Malaysian government securities	225,328	9,108,996	583,854	9,918,178	83,880	9,487,774	477,719	10,049,373
Debt securities	1,061,431	33,221,570	2,102,887	36,385,888	519,168	34,636,990	1,974,321	37,130,479
Equity securities	700,088	17,221,701	7,326,971	25,248,760	539,408	18,186,551	7,988,419	26,714,378
Unit and property trust funds	-	2,771,139	167,670	2,938,809	-	3,051,586	225,965	3,277,551
Loans	3,139	5,289,671	-	5,292,810	1,979	5,400,426	-	5,402,405
Investment in subsidiary:								
Collective investment scheme	10(e) 599,513	920,922	-	1,520,435	834,858	738,968	-	1,573,826
	<u>2,589,499</u>	<u>68,533,999</u>	<u>10,181,382</u>	<u>81,304,880</u>	<u>1,979,293</u>	<u>71,502,295</u>	<u>10,666,424</u>	<u>84,148,012</u>

The Company's financial investments are summarised by categories as follows:

AC (Note 10(a))	3,139	5,289,671	-	5,292,810	1,979	5,400,426	-	5,402,405
FVOCI (Note 10(b))	1,882,654	2,506,103	-	4,388,757	1,073,779	2,509,988	-	3,583,767
FVTPL (Note 10(c))	703,706	60,738,225	10,181,382	71,623,313	903,535	63,591,881	10,666,424	75,161,840
	<u>2,589,499</u>	<u>68,533,999</u>	<u>10,181,382</u>	<u>81,304,880</u>	<u>1,979,293</u>	<u>71,502,295</u>	<u>10,666,424</u>	<u>84,148,012</u>

The following investments mature after 12 months:

AC	3,139	436,940	-	440,079	1,979	524,610	-	526,589
FVOCI	766,202	1,815,255	-	2,581,457	510,101	1,787,957	-	2,298,058
FVTPL	99,161	38,476,987	2,893,384	41,469,532	51,529	38,646,497	2,625,096	41,323,122
	<u>868,502</u>	<u>40,729,182</u>	<u>2,893,384</u>	<u>44,491,068</u>	<u>563,609</u>	<u>40,959,064</u>	<u>2,625,096</u>	<u>44,147,769</u>

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10. INVESTMENTS (CONT'D.)

(a) AC

	30.06.2022				31.12.2021			
	Shareholder's	Life Insurance			Shareholder's	Life Insurance		
	Fund	Fund	Unit-linked	Total	Fund	Fund	Unit-linked	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At Amortised Cost:								
Policy loans	-	4,617,003	-	4,617,003	-	4,630,062	-	4,630,062
Mortgage loans	-	212,895	-	212,895	-	300,697	-	300,697
Secured loans	-	1,739	-	1,739	-	1,443	-	1,443
Unsecured loans	3,139	493,566	-	496,705	1,979	498,638	-	500,617
	3,139	5,325,203	-	5,328,342	1,979	5,430,840	-	5,432,819
Provision for expected credit loss ("ECL") (Note 10(d))	-	(35,532)	-	(35,532)	-	(30,414)	-	(30,414)
	3,139	5,289,671	-	5,292,810	1,979	5,400,426	-	5,402,405

The carrying value of the policy loans, secured loans and unsecured loans are reasonable approximations of fair value due to the insignificant impact of discounting.

The fair values of the mortgage loans have been established by comparing current market interest rates for similar financial instruments to the rates offered when the mortgage loans were first recognised together with appropriate market credit adjustments.

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10. INVESTMENTS (CONT'D.)

(b) FVOCI

	30.06.2022				31.12.2021			
	Shareholder's Fund RM'000	Life Insurance Fund RM'000	Unit-linked RM'000	Total RM'000	Shareholder's Fund RM'000	Life Insurance Fund RM'000	Unit-linked RM'000	Total RM'000
At Fair Value:								
Equity securities:								
Quoted in Malaysia								
- Kuala Lumpur Stock Exchange	427,684	280,496	-	708,180	329,691	295,163	-	624,854
Quoted outside Malaysia								
- Singapore Exchange	74,808	132,650	-	207,458	84,057	151,518	-	235,575
- Hong Kong Exchange	183,633	162,990	-	346,623	99,537	148,316	-	247,853
Unquoted in Malaysia	-	75,490	-	75,490	-	75,271	-	75,271
Malaysian government securities	225,328	488,220	-	713,548	83,880	500,259	-	584,139
Debt securities:								
Unquoted in Malaysia	971,201	1,366,257	-	2,337,458	476,614	1,339,461	-	1,816,075
	<u>1,882,654</u>	<u>2,506,103</u>	<u>-</u>	<u>4,388,757</u>	<u>1,073,779</u>	<u>2,509,988</u>	<u>-</u>	<u>3,583,767</u>

During the financial period ended 30 June 2022, the Company sold listed equity securities as the underlying investments are no longer aligned with the Company's long-term investment strategy. These investments had a fair value of RM89,123,618 (2021: RM264,272,862) at the date of disposal. The cumulative loss on disposal (net of tax) of RM17,891,535 (2021: cumulative loss on disposal (net of tax) of RM9,304,000) was reclassified from fair value reserve to retained earnings.

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10. INVESTMENTS (CONT'D.)

(c) FVTPL

	30.06.2022				31.12.2021			
	Shareholder's Fund RM'000	Life Insurance Fund RM'000	Unit-linked RM'000	Total RM'000	Shareholder's Fund RM'000	Life Insurance Fund RM'000	Unit-linked RM'000	Total RM'000
At Fair Value:								
Mandatorily measured:								
Equity securities:								
Quoted in Malaysia	-	13,179,286	6,516,860	19,696,146	-	13,881,857	7,114,692	20,996,549
Quoted outside Malaysia	-	2,978,397	465,801	3,444,198	-	3,140,944	497,444	3,638,388
Unquoted in Malaysia	13,963	303,568	322,543	640,074	26,123	386,686	354,923	767,732
Unquoted outside Malaysia	-	108,824	21,767	130,591	-	106,796	21,360	128,156
Debt securities:								
Quoted in Malaysia	-	-	763	763	-	-	831	831
Quoted outside Malaysia	-	286,632	-	286,632	-	330,486	-	330,486
Unquoted in Malaysia	90,230	2,484,378	146,127	2,720,735	42,554	2,267,907	148,381	2,458,842
Unquoted outside Malaysia	-	121,419	20,344	141,763	-	177,770	29,727	207,497
Unit and property trust funds:								
Quoted in Malaysia	-	348,996	96,371	445,367	-	337,529	132,350	469,879
Quoted outside Malaysia	-	224,451	69,433	293,884	-	229,629	91,447	321,076
Unquoted outside Malaysia	-	2,012,509	1,866	2,014,375	-	2,263,459	2,168	2,265,627
Unquoted in Malaysia	-	185,183	-	185,183	-	220,969	-	220,969
Collective investment scheme - subsidiary								
Unquoted in Malaysia	599,513	920,922	-	1,520,435	834,858	738,968	-	1,573,826
	703,706	23,154,565	7,661,875	31,520,146	903,535	24,083,000	8,393,323	33,379,858

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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10. INVESTMENTS (CONT'D.)

(c) FVTPL (CONT'D.)

	30.06.2022				31.12.2021			
	Shareholder's	Life Insurance			Shareholder's	Life Insurance		
	Fund	Fund	Unit-linked	Total	Fund	Fund	Unit-linked	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At Fair Value (Cont'd.):								
Designated upon initial recognition:								
Malaysian government securities	-	8,620,776	583,854	9,204,630	-	8,987,515	477,719	9,465,234
Debt securities:								
Unquoted in Malaysia	-	28,962,884	1,935,653	30,898,537	-	30,521,366	1,795,382	32,316,748
	-	37,583,660	2,519,507	40,103,167	-	39,508,881	2,273,101	41,781,982
	703,706	60,738,225	10,181,382	71,623,313	903,535	63,591,881	10,666,424	75,161,840

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10. INVESTMENTS (CONT'D.)

(d) Provision for ECL

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instruments.

	30.06.2022			Total RM'000
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
Loans at amortised cost				
Opening balance	1,168	29,246	-	30,414
Net remeasurement of loss allowance	-	(1,608)	-	(1,608)
New financial assets purchased	38	-	-	38
Financial assets that have been derecognised	(69)	(174)	-	(243)
Changes in models/risk parameters	126	5,541	-	5,667
Management overlay	(80)	1,344	-	1,264
Closing balance	<u>1,183</u>	<u>34,349</u>	<u>-</u>	<u>35,532</u>

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10. INVESTMENTS (CONT'D.)

(d) Provision for ECL (Cont'd.)

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instruments. (Cont'd.)

	31.12.2021			Total RM'000
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
Loans at amortised cost				
Opening balance	1,671	10,783	-	12,454
Net remeasurement of loss allowance	509	814	-	1,323
New financial assets purchased	83	-	-	83
Financial assets that have been derecognised	(103)	(61)	-	(164)
Changes in models/risk parameters	(992)	17,710	-	16,718
Closing balance	<u>1,168</u>	<u>29,246</u>	<u>-</u>	<u>30,414</u>

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10. INVESTMENTS (CONT'D.)

(d) Provision for ECL (Cont'd.)

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instruments. (Cont'd.)

	30.06.2022			Total RM'000
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
Debt investment securities at FVOCI				
Opening balance	9,333	8,177	-	17,510
Net remeasurement of loss allowance	(24)	(132)	-	(156)
New financial assets purchased	1,577	-	-	1,577
Financial assets that have been derecognised	(876)	(53)	-	(929)
Changes in models/risk parameters	381	808	-	1,189
Management overlay	1,029	264	-	1,293
Closing balance	<u>11,420</u>	<u>9,064</u>	<u>-</u>	<u>20,484</u>

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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10. INVESTMENTS (CONT'D.)

(d) Provision for ECL (Cont'd.)

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instruments. (Cont'd.)

	31.12.2021			
	12-month ECL	Lifetime ECL	Lifetime ECL	
	RM'000	not credit impaired	credit impaired	Total
	RM'000	RM'000	RM'000	RM'000
Debt investment securities at FVOCI				
Opening balance	9,819	1,067	-	10,886
Transfer to lifetime ECL not credit-impaired	(489)	489	-	-
Additional loss allowance due to transfer	-	2,895	-	2,895
Net remeasurement of loss allowance	108	171	-	279
New financial assets purchased	1,596	-	-	1,596
Financial assets that have been derecognised	(2,782)	(176)	-	(2,958)
Changes in models/risk parameters	1,081	3,731	-	4,812
Closing balance	<u>9,333</u>	<u>8,177</u>	<u>-</u>	<u>17,510</u>

The above loss allowance as at 30 June 2022 for debt securities at FVOCI is not recognised in the statement of financial position because the carrying amount of debt securities at FVOCI is their fair value.

The carrying amount of outstanding premiums as at 30 June 2022 is RM120,635,501 (31 December 2021: RM48,875,253). The ECL relating to outstanding premiums as at 30 June 2022 was RM17,438,690 (31 December 2021: RM18,288,092). The reversal of credit loss/(credit loss) recognised in the Statement of Profit or Loss during the period was RM849,403 (31 December 2021: (RM2,331,002)).

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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10. INVESTMENTS (CONT'D.)

(e) Investment in subsidiary - collective investment scheme

	30.06.2022	31.12.2021
	RM'000	RM'000
At fair value:		
FVTPL (Note 10(c))	<u>1,520,435</u>	<u>1,573,826</u>

Details of the Company's investment in subsidiary - collective investment scheme in Malaysia are as follows:

Name of wholesale unit trust fund	Principal activities	% of ownership interest held by the Company	
		30.06.2022	31.12.2021
Affin Hwang Wholesale Equity Fund 2 (i)	Investment in equity and collective investment schemes	99.80%	99.80%
Affin Hwang Wholesale Income Fund (ii)	Investment in debt securities and money market	94.57%	93.44%
Aminstitutional Income Bond Fund (iii)	Investment in debt securities and money market	61.91%	70.32%

The Company has determined that it has control over the Fund, based on the following rationale:

- (i) By virtue of clause 16.1.2 of the Deed signed between TMF Trustees Malaysia Berhad ("the Trustee") and Affin Hwang Asset Management Berhad ("the Fund Manager"), the Unitholders of the Fund may apply to the Fund Manager to summon a meeting for any purpose, without limitation, for the purpose of requiring the retirement or removal of the Fund Manager.

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10. INVESTMENTS (CONT'D.)

(e) Investment in subsidiary - collective investment scheme (Cont'd.)

The Company has determined that it has control over the Fund, based on the following rationale (cont'd.):

- (ii) By virtue of clause 17.1.2 of the Trust Deed signed between TMF Trustees Malaysia Berhad ("the Trustee") and Affin Hwang Asset Management Berhad ("the Fund Manager"), the Unitholders of the Fund may apply to the Fund Manager to summon a meeting for any purpose, without limitation, for the purpose of requiring the retirement or removal of the Fund Manager.
- (iii) By virtue of clause 17.1.2 of the Deed signed between AmanahRaya Trustees Berhad ("the Trustee") and AmFunds Management Berhad ("the Fund Manager"), the Unitholders of the Fund may apply to the Fund Manager to summon a meeting for any purpose, without limitation, for the purpose of requiring the retirement or removal of the Fund Manager.

The Company has determined that it is able to exert its power in order to influence returns from its investment in the Fund by virtue of clause 16.1.2 and 17.1.2 as disclosed above.

The Company by virtue of holding the units in the Fund also has exposure, or rights to variable returns from the investment.

11. REINSURANCE ASSETS

Life Insurance Fund

	30.06.2022	31.12.2021
	RM'000	RM'000
Reinsurance of insurance contracts (Note 13)	120,839	128,057

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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12. INSURANCE RECEIVABLES

Life Insurance Fund

	30.06.2022	31.12.2021
	RM'000	RM'000
Due premiums including agents/brokers and co-insurers balances	231,109	193,664
Due from reinsurers	109,476	179,307
	<u>340,585</u>	<u>372,971</u>
Allowance for impairment	(17,439)	(18,288)
	<u>323,146</u>	<u>354,683</u>
 Movement in impairment allowance account:		
At 1 January	18,288	15,957
(Reversal of impairment)/impairment for the period	(849)	2,331
At 30 June / 31 December	<u>17,439</u>	<u>18,288</u>

The carrying amounts disclosed above approximate fair values due to their relatively short term nature.

The Company's amounts due from reinsurers that have been offset against amount due to reinsurers are as follows:

	Gross carrying amount	Gross amounts offset in the statement of financial position	Net amounts in the statement of financial position
	RM'000	RM'000	RM'000
30 June 2022			
Premiums ceded	(237,566)	-	(237,566)
Commissions receivable	-	59,065	59,065
Claims recoveries	-	287,977	287,977
	<u>(237,566)</u>	<u>347,042</u>	<u>109,476</u>
 31 December 2021			
Premiums ceded	(88,641)	-	(88,641)
Commissions receivable	-	55,292	55,292
Claims recoveries	-	212,656	212,656
	<u>(88,641)</u>	<u>267,948</u>	<u>179,307</u>

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GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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13. INSURANCE CONTRACT LIABILITIES

Life Insurance Fund

	30.06.2022			31.12.2021		
	Gross	Reinsurance	Net	Gross	Reinsurance	Net
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Provision for outstanding claims	12,268,402	(53,118)	12,215,284	11,982,793	(52,950)	11,929,843
Actuarial liabilities	54,269,697	(67,721)	54,201,976	54,795,690	(75,107)	54,720,583
Unallocated surplus	4,019,778	-	4,019,778	6,101,606	-	6,101,606
Net asset value attributable to unitholders	11,581,832	-	11,581,832	11,753,019	-	11,753,019
	<u>82,139,709</u>	<u>(120,839)</u>	<u>82,018,870</u>	<u>84,633,108</u>	<u>(128,057)</u>	<u>84,505,051</u>

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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13. INSURANCE CONTRACT LIABILITIES (CONT'D.)

	Gross			Reinsurance			Net RM'000
	With DPF RM'000	Without DPF RM'000	Total RM'000	With DPF RM'000	Without DPF RM'000	Total RM'000	
At 1 January 2022	66,035,656	18,597,452	84,633,108	(23,867)	(104,190)	(128,057)	84,505,051
Premiums received	970,440	831,856	1,802,296	(26,670)	(156,832)	(183,502)	1,618,794
Liabilities paid for death, maturities, surrenders, benefits and claims	(2,282,937)	(315,786)	(2,598,723)	24,377	180,320	204,697	(2,394,026)
Policy movements	(769,041)	554,530	(214,511)	1,417	5,970	7,387	(207,124)
Interest rate	(5,161)	(240,546)	(245,707)	-	-	-	(245,707)
<i>Adjustments due to changes in assumptions:</i>							
<i>Mortality/morbidity</i>	-	-	-	-	-	-	-
<i>Expenses</i>	-	-	-	-	-	-	-
<i>Lapse</i>	-	-	-	-	-	-	-
<i>Others</i>	-	-	-	-	-	-	-
Model change	(29,154)	(36,622)	(65,776)	-	-	-	(65,776)
Claims benefit experience variation	278,141	7,468	285,609	270	(21,634)	(21,364)	264,245
Net asset value attributable to unitholders	-	(687,257)	(687,257)	-	-	-	(687,257)
Unallocated surplus	(769,330)	-	(769,330)	-	-	-	(769,330)
At 30 June 2022	63,428,614	18,711,095	82,139,709	(24,473)	(96,366)	(120,839)	82,018,870

Policy benefits bear interest at 4.50% per annum.

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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13 INSURANCE CONTRACT LIABILITIES (CONT'D.)

	← Gross →			← Reinsurance →			Net RM'000
	With DPF RM'000	Without DPF RM'000	Total RM'000	With DPF RM'000	Without DPF RM'000	Total RM'000	
At 1 January 2021	67,735,651	16,263,156	83,998,807	(25,579)	(93,794)	(119,373)	83,879,434
Premiums received	2,285,238	1,783,900	4,069,138	(67,370)	(163,468)	(230,838)	3,838,300
Liabilities paid for death, maturities, surrenders, benefits and claims	(4,213,377)	(536,377)	(4,749,754)	47,947	316,947	364,894	(4,384,860)
Policy movements	592,489	1,485,658	2,078,147	692	(8,102)	(7,410)	2,070,737
Interest rate	(5,757)	(395,350)	(401,107)	-	-	-	(401,107)
<i>Adjustments due to changes in assumptions:</i>							
<i>Mortality/morbidity</i>	(305,345)	(11,959)	(317,304)	-	-	-	(317,304)
<i>Expenses</i>	39,942	(13,232)	26,710	-	-	-	26,710
<i>Lapse</i>	226	(2)	224	-	-	-	224
<i>Others</i>	(348,509)	44,221	(304,288)	-	20,582	20,582	(283,706)
Model change	(8,241)	(3,846)	(12,087)	-	-	-	(12,087)
Claims benefit experience variation	726,116	80,876	806,992	20,443	(176,355)	(155,912)	651,080
Net asset value attributable to unitholders	-	(99,593)	(99,593)	-	-	-	(99,593)
Unallocated deficit	(462,777)	-	(462,777)	-	-	-	(462,777)
At 31 December 2021	66,035,656	18,597,452	84,633,108	(23,867)	(104,190)	(128,057)	84,505,051

Policy benefits bear interest at 4.50% per annum.

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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14. DERIVATIVES

	Asset		Liability	
	Notional Principal RM'000	Fair Value RM'000	Notional Principal RM'000	Fair Value RM'000
30 June 2022				
Life Insurance Fund				
Derivatives held for trading:				
Currency swaps	-	-	495,703	16,963
Interest rate swap	-	-	-	-
Bond Forward	-	-	600,000	37,843
	<u>-</u>	<u>-</u>	<u>1,095,703</u>	<u>54,806</u>
Unit-linked				
Derivatives held for trading:				
Currency swaps	-	-	48,360	2,381
Forward Contract	720	-	-	-
	<u>720</u>	<u>-</u>	<u>1,144,063</u>	<u>57,187</u>
31 December 2021				
Life Insurance Fund				
Derivatives held for trading:				
Currency swaps	137,839	2,023	357,863	17,192
Bond Forward	440,000	5,308	380,000	4,428
	<u>577,839</u>	<u>7,331</u>	<u>737,863</u>	<u>21,620</u>
Unit-linked				
Derivatives held for trading:				
Currency swaps	-	-	48,360	2,143
Forward Foreign Exchange	-	-	486	1
	<u>577,839</u>	<u>7,331</u>	<u>786,709</u>	<u>23,764</u>

15. INSURANCE PAYABLES

Life Insurance Fund	30.06.2022	31.12.2021
	RM'000	RM'000
Due to reinsurers	34,990	26,923
Due to agents and intermediaries	296,889	349,731
	<u>331,879</u>	<u>376,654</u>

The carrying amounts disclosed above approximate fair value at the reporting date.

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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15. INSURANCE PAYABLES (CONT'D.)

The Company's amounts due to reinsurers that have been offset against amount due from reinsurers are as follows:

	Gross carrying amount RM'000	Gross amounts offset in the statement of financial position RM'000	Net amounts in the statement of financial position RM'000
30 June 2022			
Premiums ceded	188,015	-	188,015
Commissions receivable	-	(3,588)	(3,588)
Claims recoveries	-	(149,437)	(149,437)
	<u>188,015</u>	<u>(153,025)</u>	<u>34,990</u>
31 December 2021			
Premiums ceded	130,801	-	130,801
Commissions receivable	-	(1,992)	(1,992)
Claims recoveries	-	(101,886)	(101,886)
	<u>130,801</u>	<u>(103,878)</u>	<u>26,923</u>

16. NET EARNED PREMIUMS

Life Insurance Fund

	01.01.2022 to 30.06.2022 RM'000	01.01.2021 to 30.06.2021 RM'000
(a) Gross earned premiums		
Life insurance contracts	<u>4,577,616</u>	<u>4,511,969</u>
(b) Earned premiums ceded to reinsurers		
Life insurance contracts	<u>(183,502)</u>	<u>(200,068)</u>
Net earned premiums	<u>4,394,114</u>	<u>4,311,901</u>

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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17. NET INVESTMENT INCOME

01.01.2022 to 30.06.2022	Shareholder's Fund RM'000	Life Insurance Fund RM'000	Total RM'000
Rental income from:			
- investment properties	-	21,180	21,180
- owner occupied properties	-	12,650	12,650
Financial assets at FVTPL			
- mandatorily measured:			
Interest income	1,523	54,535	56,058
Dividend income:			
- equity securities quoted in Malaysia	10,451	446,445	456,896
- equity securities quoted outside Malaysia	-	80,504	80,504
- equity securities unquoted in Malaysia	527	17,756	18,283
- equity securities unquoted outside Malaysia	-	5,189	5,189
- designated upon initial recognition:			
Interest income	-	846,141	846,141
Financial assets at FVOCI:			
Interest income	12,858	35,490	48,348
Dividend income*:			
- equity securities quoted in Malaysia	10,355	8,474	18,829
- equity securities quoted outside Malaysia	9,193	8,716	17,909
- equity securities unquoted in Malaysia	-	46	46
LAR interest income	16	164,524	164,540
Cash and bank balances interest income	3,652	45,158	48,810
Gross investment income	48,575	1,746,808	1,795,383
Less: investment expenses	(28)	(40,652)	(40,680)
	<u>48,547</u>	<u>1,706,156</u>	<u>1,754,703</u>

* During the period ended 30 June 2022, dividend income earned in respect of equity investments measured at FVOCI were as follows:

	RM'000
On investments derecognised during the reporting period	10
On investments held at the end of the reporting period	36,774
	<u>36,784</u>

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17. NET INVESTMENT INCOME (CONT'D.)

01.01.2021 to 30.06.2021	Shareholder's Fund RM'000	Life Insurance Fund RM'000	Total RM'000
Rental income from:			
- investment properties	-	24,917	24,917
- owner occupied properties	-	13,418	13,418
Financial assets at FVTPL			
- mandatorily measured:			
Interest income	1,161	43,395	44,556
Dividend income:			
- equity securities quoted in Malaysia	15,884	512,392	528,276
- equity securities quoted outside Malaysia	-	55,844	55,844
- equity securities unquoted in Malaysia	736	24,158	24,894
- equity securities unquoted outside Malaysia	-	4,964	4,964
- designated upon initial recognition:			
Interest income	-	829,740	829,740
Financial assets at FVOCI:			
Interest income	10,139	28,413	38,552
Dividend income*:			
- equity securities quoted in Malaysia	11,668	9,413	21,081
- equity securities quoted outside Malaysia	6,770	8,063	14,833
LAR interest income	24	160,418	160,442
Cash and bank balances interest income	2,876	32,758	35,634
Gross investment income	49,258	1,747,893	1,797,151
Less: investment expenses	(161)	(48,395)	(48,556)
	<u>49,097</u>	<u>1,699,498</u>	<u>1,748,595</u>

* During the period ended 30 June 2021, dividend income earned in respect of equity investments measured at FVOCI were as follows:

	RM'000
On investments derecognised during the reporting period	1,786
On investments held at the end of the reporting period	34,128
	<u>35,914</u>

Included in rental income from properties is contingent rent for the period amounting to RM Nil (30.06.2021: RM Nil). Contingent rental arrangements are computed based on sales or profit achieved by tenants.

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18. NET BENEFITS AND CLAIMS

Life Insurance Fund

	01.01.2022	01.01.2021
	to	to
	30.06.2022	30.06.2021
	RM'000	RM'000
(a) Gross benefits and claims paid		
Life insurance contracts:		
Death	(358,053)	(272,902)
Maturity	(390,526)	(344,979)
Surrender	(1,087,366)	(835,479)
Cash bonus	(651,996)	(611,769)
Others	<u>(1,150,891)</u>	<u>(936,113)</u>
	<u>(3,638,832)</u>	<u>(3,001,242)</u>
(b) Claims ceded to reinsurers		
Life insurance contracts	<u>204,697</u>	<u>164,901</u>
(c) Gross change in contract liabilities		
Life insurance contracts	<u>2,779,008</u>	<u>849,878</u>
(d) Change in contract liabilities ceded to reinsurers		
Life insurance contracts	<u>(7,387)</u>	<u>2,269</u>

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19. MANAGEMENT EXPENSES

	Shareholder's Fund RM'000	Life Insurance Fund RM'000	Total RM'000
01.01.2022 to 30.06.2022			
Employee benefits expense (Note (a))	152	126,219	126,371
Non-executive directors' remuneration (Note (b))	-	769	769
Auditor's remuneration:			
- statutory audits	5	343	348
- regulatory related fees	-	218	218
Depreciation of:			
- property and equipment	-	11,870	11,870
- right-of-use assets	-	510	510
Amortisation of:			
- right-of-use assets	-	69	69
- intangible assets	336	15,192	15,528
Rental of properties	19	165	184
Advertising and promotion	193	10,440	10,633
Finance charges	72	23,434	23,506
Group service fees	-	2,479	2,479
IT and computer expenses	-	29,500	29,500
Policyholder expenses	5,001	4,937	9,938
Postal and telecommunication	-	6,439	6,439
Printing and stationery	-	454	454
Professional fees	1	6,032	6,033
Repairs and maintenance	-	1,026	1,026
Transport and travelling	-	179	179
Utilities	-	1,637	1,637
Interest expense on lease liabilities	-	21	21
Expense relating to leases			
of low-value assets	-	44	44
Expense relating to short-term leases	-	2	2
Others	13,683	7,352	21,035
	<u>19,462</u>	<u>249,331</u>	<u>268,793</u>

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19. MANAGEMENT EXPENSES (CONT'D.)

(a) Employee Benefits Expense

	Shareholder's Fund RM'000	Life Insurance Fund RM'000	Total RM'000
01.01.2022 to 30.06.2022			
Wages and salaries	152	104,683	104,835
Social security contributions	-	722	722
Defined contribution plans - EPF	-	17,090	17,090
Other employee benefits expense	-	3,724	3,724
	<u>152</u>	<u>126,219</u>	<u>126,371</u>

(b) Chief Executive Officer's (CEO) and Directors' Remuneration

The details of remuneration received by CEO and Directors during the period are as follows:

	Shareholder's Fund RM'000	Life Insurance Fund RM'000	Total RM'000
CEO:			
Salaries and other emoluments	-	3,036	3,036
Bonus	-	1,020	1,020
Estimated money value of benefits-in-kind	-	18	18
	<u>-</u>	<u>4,074</u>	<u>4,074</u>
Non-executive:			
Fees	-	769	769
Total directors' remuneration	<u>-</u>	<u>4,843</u>	<u>4,843</u>
Represented by:			
Directors' fees	-	769	769
Amount included in employee benefits expense	<u>-</u>	<u>4,074</u>	<u>4,074</u>
	<u>-</u>	<u>4,843</u>	<u>4,843</u>

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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19. MANAGEMENT EXPENSES (CONT'D.)

	Shareholder's Fund RM'000	Life Insurance Fund RM'000	Total RM'000
01.01.2021 to 30.06.2021			
Employee benefits expense (Note (a))	136	125,403	125,539
Non-executive directors' remuneration (Note (b))	-	759	759
Auditor's remuneration:			
- statutory audits	5	324	329
- regulatory related fees	-	209	209
Depreciation of:			
- property and equipment	-	11,998	11,998
- right-of-use assets	-	503	503
Amortisation of:			
- right-of-use assets	-	69	69
- intangible assets	336	13,416	13,752
Rental of properties	17	152	169
Advertising and promotion	580	12,170	12,750
Finance charges	135	32,060	32,195
Group service fees	-	4,648	4,648
IT and computer expenses	-	26,245	26,245
Policyholder expenses	9,248	6,024	15,272
Postal and telecommunication	-	5,194	5,194
Printing and stationery	-	603	603
Professional fees	1	5,139	5,140
Repairs and maintenance	-	1,397	1,397
Transport and travelling	-	80	80
Utilities	-	1,677	1,677
Interest expense on lease liabilities	-	70	70
Expense relating to leases			
of low-value assets	-	43	43
Expense relating to short-term leases	-	3	3
Others	6,746	5,674	12,420
	<u>17,204</u>	<u>253,860</u>	<u>271,064</u>

(a) Employee Benefits Expense

Wages and salaries	136	104,911	105,047
Social security contributions	-	732	732
Defined contribution plans - EPF	-	17,094	17,094
Other employee benefits expense	-	2,666	2,666
	<u>136</u>	<u>125,403</u>	<u>125,539</u>

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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19. MANAGEMENT EXPENSES (CONT'D.)

(b) CEO and Directors' Remuneration

The details of remuneration received by CEO and Directors during the period are as follows:

	Shareholder's Fund RM'000	Life Insurance Fund RM'000	Total RM'000
CEO:			
Salaries and other emoluments	-	1,871	1,871
Bonus	-	977	977
Estimated money value of benefits-in-kind	-	18	18
	-	<u>2,866</u>	<u>2,866</u>
Non-executive:			
Fees	-	759	759
Total directors' remuneration	-	<u>3,625</u>	<u>3,625</u>
Represented by:			
Directors' fees	-	759	759
Amount included in employee benefits expense	-	2,866	2,866
	-	<u>3,625</u>	<u>3,625</u>

The directors' fees are subject to the recommendation of the Board Nominations and Remuneration Committee to the Board of Directors for endorsement and approval by shareholder at the Annual General Meeting ("AGM").

The number of Directors whose total remuneration received from the Company during the period that fall within the following bands is analysed below:

	Number of Directors	
	30.06.2022	30.06.2021
Non-Executive Directors		
RM50,001 - RM100,000	2	1
RM100,001 - RM150,000	5	4
RM150,001 - RM200,000	-	1
	<u>-</u>	<u>1</u>

The Executive Director does not receive any director fees.

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20. CEO AND DIRECTORS' REMUNERATION

Name		01.01.2022 to 30.06.2022				Total RM'000
		Salaries RM'000	Bonus RM'000	Fees RM'000	Benefits-in-kind RM'000	
Y Bhg Dato Koh Yaw Hui	CEO	3,036	1,020	-	18	4,074
Total CEO's remuneration		3,036	1,020	-	18	4,074
	Status of directorship					
Mr Norman Ka Cheung Ip	Non - Executive	-	-	148	-	148
Mr Tan Yam Pin	Non - Executive	-	-	104	-	104
Mr Koh Poh Tiong	Non - Executive	-	-	95	-	95
Mr Ng Hon Soon	Non - Executive	-	-	133	-	133
Mr Siew Kah Toong	Non - Executive	-	-	110	-	110
Mr Ou Shian Waei	Non - Executive	-	-	115	-	115
Mr Foong Soo Hah	Non - Executive	-	-	64	-	64
Total Non-Executive Directors' remuneration		-	-	769	-	769
Total remuneration		3,036	1,020	769	18	4,843

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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20. CEO AND DIRECTORS' REMUNERATION (CONT'D.)

Name		01.01.2021 to 30.06.2021				Total RM'000
		Salaries RM'000	Bonus RM'000	Fees RM'000	Benefits-in-kind RM'000	
Y Bhg Dato Koh Yaw Hui	CEO	1,871	977	-	18	2,866
Total CEO's remuneration		1,871	977	-	18	2,866
	Status of directorship					
Mr Norman Ka Cheung Ip	Non - Executive	-	-	199	-	199
Mr Tan Yam Pin	Non - Executive	-	-	102	-	102
Mr Koh Poh Tiong	Non - Executive	-	-	93	-	93
Mr Ng Hon Soon	Non - Executive	-	-	138	-	138
Mr Siew Kah Toong	Non - Executive	-	-	107	-	107
Mr Ou Shian Waei	Non - Executive	-	-	120	-	120
Total Non-Executive Directors' remuneration		-	-	759	-	759
Total remuneration		1,871	977	759	18	3,625

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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21. TAXATION

		01.01.2022	01.01.2021
		to	to
		30.06.2022	30.06.2021
	Note	RM'000	RM'000
Taxation of life insurance business	(a)	(305,257)	(114,027)
Taxation of the Company	(b)	196,151	164,346
		<u>(109,106)</u>	<u>50,319</u>

(a) Taxation of life insurance business

Current income tax:

Malaysian income tax	77,076	96,223
Tax on foreign dividend income	1,739	1,383
Overprovided in prior years	(74,789)	-
	<u>4,026</u>	<u>97,606</u>

Deferred tax:

Relating to origination and reversal of temporary differences		
- Life Insurance Fund	(248,999)	(183,394)
- Unit-linked	(60,284)	(28,239)
	<u>(305,257)</u>	<u>(114,027)</u>

The Malaysian tax charge on the life business is based on the method prescribed under the Income Tax Act 1967 for life business.

The income tax for the life fund is calculated based on tax rate of 8% (2021: 8%) of the assessable investment income net of allowable deductions for the financial period.

(b) Taxation of the Company

	01.01.2022	01.01.2021
	to	to
	30.06.2022	30.06.2021
	RM'000	RM'000
Current income tax:		
Malaysian income tax	2,970	4,064
Tax on foreign dividend income	403	271
(Over)/underprovided in prior years	(11,683)	3,738
	<u>(8,310)</u>	<u>8,073</u>
Deferred tax:		
Relating to origination and reversal of temporary differences	204,461	156,273
	<u>196,151</u>	<u>164,346</u>

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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21. TAXATION (CONT'D.)

(b) Taxation of the Company (Cont'd.)

The current income tax is calculated at 24% (2021: 24%) of the estimated assessable profit for the financial period.

For year of assessment 2022, a special one-off tax for 2022 ("Cukai Makmur") is imposed by the government on non-Micro, Small and Medium Enterprises which generate high profits during the period of the pandemic, where corporate tax of 24% is applied on the first RM100 million of chargeable income while 33% is applied on the portion in excess of RM100 million. The Company has applied Cukai Makmur in the calculation of deferred tax for its Shareholders' Fund.

The deferred tax for the Shareholder's Fund is calculated based on the tax rate of 33% (2021: 24%).

A reconciliation of income tax expenses applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Company are as follows:

	01.01.2022	01.01.2021
	to	to
	30.06.2022	30.06.2021
	RM'000	RM'000
Profit before taxation	<u>688,844</u>	<u>695,133</u>
Taxation at Malaysian statutory tax rate of 24% (2021: 24%)	165,323	166,832
Income not subject to tax	(5,140)	(6,727)
Cukai makmur	52,349	-
Expenses not deductible for tax purposes	6,964	7,956
Estimated double taxation relief	(11,662)	(7,453)
(Over)/underprovided in prior years	<u>(11,683)</u>	<u>3,738</u>
Tax expense for the period	<u>196,151</u>	<u>164,346</u>

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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22. CASH USED IN OPERATING ACTIVITIES

		01.01.2022	01.01.2021
		to	to
		30.06.2022	30.06.2021
	Note	RM'000	RM'000
Profit before taxation attributable to shareholders		688,844	695,133
<i>Adjustments for:</i>			
Taxation attributable to life insurance business	21(a)	(305,257)	(114,027)
Investment income	17	(1,795,383)	(1,797,151)
Realised losses recorded in the statement of profit or loss		69,286	131,465
Fair value losses recorded in the statement of profit or loss		4,192,490	2,571,264
Depreciation of:			
- property and equipment		11,870	11,998
- right-of-use assets		510	503
Amortisation of:			
- right-of-use assets		69	69
- intangible assets		15,528	13,752
(Write-back of)/impairment loss on:			
Insurance and other receivables		(787)	(1,059)
Investments		8,092	20,810
Changes in agents' retirement benefit		31,177	41,182
Property and equipment written-off		13	238
Realised foreign exchange gain on disposal of investments		(17,816)	(2,483)
Unrealised exchange loss on derivatives		12,762	11,173
Unrealised exchange gain on investments		(73,683)	(69,521)
Finance cost		21	70
Cash flow before working capital changes		<u>2,837,736</u>	<u>1,513,416</u>

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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22. CASH USED IN OPERATING ACTIVITIES (CONT'D.)

	01.01.2022	01.01.2021
	to	to
	30.06.2022	30.06.2021
Note	RM'000	RM'000
<i>Changes in working capital:</i>		
Purchases of FVTPL financial investments	(14,054,003)	(12,992,995)
Proceeds from disposals/maturities of FVTPL financial investments	13,459,746	12,138,761
Purchases of FVOCI financial investments	(2,113,066)	(1,123,298)
Proceeds from disposals/maturities of FVOCI financial investments	1,231,848	976,734
Decrease in LAR	104,479	15,193
Increase in right-of-use assets	(280)	103
Decrease in reinsurance assets	7,218	1,957
Decrease/(increase) in insurance receivables	32,386	(71,868)
(Increase)/decrease in other receivables	(99,251)	95,870
Decrease in insurance contract liabilities	(2,493,399)	(591,420)
Increase/(decrease) in other financial liabilities	128,338	(199,555)
Decrease in insurance payables	(44,775)	(67,970)
Increase/(decrease) in lease liabilities	280	(103)
Increase/(decrease) in other payables	7,453	(3,685)
Cash used in from operating activities	<u>(995,290)</u>	<u>(308,860)</u>

The Company classifies the cash flows from the acquisition and disposal of financial assets as operating cash flows, as the purchases are funded from cash flows associated with the origination of insurance contracts, net of the cash flows for payments of benefits and claims incurred for insurance contracts, which are operating activities of the Company.

GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD
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23. COMMITMENTS AND OTHER CONTINGENCIES

(a) Capital commitments

	30.06.2022	31.12.2021
	RM'000	RM'000
Capital expenditure		
Approved and contracted for:		
- Investment properties	4,506	6,291
- Property and equipment	47,468	42,077
Approved but not contracted for:		
- Investment properties	10,134	8,581
	<u>62,108</u>	<u>56,949</u>

24. REGULATORY CAPITAL REQUIREMENT

The capital structure of the Company as at 30 June 2022, as prescribed under the RBC Framework is provided below:

	30.06.2022	31.12.2021
	RM'000	RM'000
Eligible Tier 1 Capital		
Share capital (paid-up)	100,000	100,000
Reserves, including retained earnings	20,358,826	21,147,437
	<u>20,458,826</u>	<u>21,247,437</u>
Tier 2 Capital		
Eligible reserves	(89,135)	(54,664)
	<u>(89,135)</u>	<u>(54,664)</u>
Deductions: Intangible assets & deferred tax assets	215,986	185,066
	<u>215,986</u>	<u>185,066</u>
Total Capital Available	<u>20,153,705</u>	<u>21,007,707</u>

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25. RELATED PARTY DISCLOSURES

- (a) In addition to the transactions detailed elsewhere in the interim condensed financial statements, the Company had the following transactions and balances with related parties during the financial period:

	01.01.2022	01.01.2021
	to	to
	30.06.2022	30.06.2021
	RM'000	RM'000
Transactions with related parties during the period:		
Income/(expense):		
Property rentals received (note i)		
- OCBC Bank (Malaysia) Berhad	419	419
- Great Eastern General Insurance (Malaysia) Berhad	1,536	1,549
- Great Eastern Takaful Berhad	703	701
Service charges paid (note ii)		
- OCBC Bank (Malaysia) Berhad	(17,540)	(27,432)
- E2 Power Sdn Bhd	(3,345)	(2,148)
- E2 Power Pte Ltd	(1,047)	(1,558)
Service charges received (note ii)		
- Great Eastern General Insurance (Malaysia) Berhad	3,592	3,566
- Great Eastern Takaful Berhad	6,196	7,623
Premium paid (note iii)		
- Great Eastern General Insurance (Malaysia) Berhad	(1,999)	(1,989)
Premium received (note iii)		
- Great Eastern General Insurance (Malaysia) Berhad	1,204	1,296
- OCBC Bank (Malaysia) Berhad	25,182	25,552
- PAC Lease Berhad	310	259
- Key Management Personnel	453	213
- BOS Wealth Management Malaysia Berhad (formerly Pacific Mutual Fund Bhd)	162	-

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25. RELATED PARTY DISCLOSURES (CONT'D.)

- (a) In addition to the transactions detailed elsewhere in the interim condensed financial statements, the Company had the following transactions and balances with related parties during the financial period (Cont'd):

	01.01.2022	01.01.2021
	to	to
	30.06.2022	30.06.2021
	RM'000	RM'000
Transactions with related parties during the period (Cont'd.):		
Income/(expense):		
Claims paid		
- Key Management Personnel	(419)	(520)
Commission received		
- Great Eastern General Insurance (Malaysia) Berhad	286	293
Commission fees paid		
- OCBC Bank (Malaysia) Berhad	(26,814)	(30,024)
- OCBC Securities Private Limited	(217)	(261)
- PAC Lease Berhad	(16)	(11)
Interest income (note iv)		
- OCBC Bank (Malaysia) Berhad	9,954	9,915
- OCBC Al-Amin Bank Berhad	347	2,360
- PAC Lease Berhad	813	437
Dividend income (note v)		
- Affin Hwang Wholesale Income Fund	8,443	16,276
- Aminstitutional Income Bond Fund	5,152	4,443
Bank charges		
- OCBC Bank (Malaysia) Berhad	(367)	(372)
Other services		
- OCBC Bank (Malaysia) Berhad	-	(3)
Policy payments		
- OCBC Bank (Malaysia) Berhad	-	(614)
Employee Share Purchase Plan		
- Oversea-Chinese Banking Corporation Ltd.	(465)	(448)

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25. RELATED PARTY DISCLOSURES (CONT'D.)

- (a) In addition to the transactions detailed elsewhere in the interim condensed financial statements, the Company had the following transactions and balances with related parties during the financial period (Cont'd):

	01.01.2022	01.01.2021
	to	to
	30.06.2022	30.06.2021
	RM'000	RM'000
Transactions with related parties during the period (Cont'd.):		
Income/(expense):		
Employee Share Option Scheme paid		
- Oversea-Chinese Banking Corporation Ltd.	-	(14)
Deferred Share Plan		
- Oversea-Chinese Banking Corporation Ltd.	(593)	(650)
Charges for group services (note vi)		
- The Great Eastern Life Assurance Company Limited	(4,882)	(7,974)
Disposal of investment from		
- Affin Hwang Wholesale Income Fund	235,000	-
Purchase of investments from		
- Great Eastern General Insurance (Malaysia) Berhad	-	(5,039)
- Affin Hwang Wholesale Income Fund	(243,443)	(16,276)
- Aminstitutional Income Bond Fund	(5,564)	(4,372)
- Pac Lease Berhad	(469,027)	(124,748)
Maturity of medium term note		
- Pac Lease Berhad	329,000	130,000
Redemption of Structure Deposit		
- OCBC Bank (Malaysia) Berhad	-	96,000
Purchase of Equity Linked Note		
- OCBC Bank (Malaysia) Berhad	-	(250,000)
Purchase of Structure Deposit		
- OCBC Bank (Malaysia) Berhad	(94,000)	-
Realised losses arising from the sales and maturity of Synthetic cash flow swap arrangement		
- OCBC Bank (Malaysia) Berhad	-	(38,262)
Rebate on Management Fee		
- Lion Global Investors Limited	3,807	3,732

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25. RELATED PARTY DISCLOSURES (CONT'D.)

- (a) In addition to the transactions detailed elsewhere in the interim condensed financial statements, the Company had the following transactions and balances with related parties during the financial period (Cont'd):

	30.06.2022	31.12.2021
	RM'000	RM'000
Balances with related parties at reporting date:		
Due from/(due to):		
Investment in wholesale unit trust fund		
- Affin Hwang Wholesale Income Fund	780,892	781,142
- Aminstitutional Income Bond	307,020	306,617
- Affin Hwang Wholesale Equity Fund 2	432,523	486,067
Investment in medium term note		
- Pac Lease Berhad	190,044	49,871
Investment in Equity Linked Note		
- OCBC Bank (Malaysia) Berhad	226,372	250,463
Investment in Structure Deposit		
- OCBC Bank (Malaysia) Berhad	88,861	-
Cash and bank balances		
- OCBC Bank (Malaysia) Berhad	60,001	179,413
- OCBC Al-Amin Bank Berhad	29,760	14,113
Fixed deposits, structured deposits and repurchase agreements		
- OCBC Bank (Malaysia) Berhad	1,150,000	1,070,000
- OCBC Al-Amin Bank Berhad	24,600	119,000
Accrued Interest		
- OCBC Bank (Malaysia) Berhad	1,698	592
- OCBC Al-Amin Bank Berhad	1	52
- Pac Lease Berhad	616	634
Amount due (to)/from related companies:		
- Great Eastern General Insurance (Malaysia) Berhad	(2,947)	(2,723)
- Great Eastern Takaful Berhad	4,134	4,667

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25. RELATED PARTY DISCLOSURES (CONT'D.)

- (a) In addition to the transactions detailed elsewhere in the interim condensed financial statements, the Company had the following transactions and balances with related parties during the financial period (Cont'd):

	30.06.2022	31.12.2021
	RM'000	RM'000
Balances with related parties at reporting date (Cont'd):		
Amount due to ultimate holding company:		
- Oversea-Chinese Banking Corporation Ltd.	(1,048)	(594)
Amount due to intermediate holding company:		
- The Great Eastern Life Assurance Company Limited	(21,029)	(21,514)
Amount due to holding company:		
- Great Eastern Capital (M) Sdn Bhd	(3,046)	(3,058)

Related companies are companies within the OCBC group:

- (i) Rental of property to related parties are made according to normal market prices, terms and conditions.
- (ii) Payment of service charges to/from related parties are made according to normal market prices.
- (iii) The sale and purchase of insurance policies to/from related companies are made according to normal market prices and at terms and conditions no more favourable than those to other customers and employees.
- (iv) The interest income arose mainly from investment in fixed deposits, repurchase agreements, other debt securities and medium term notes which are made according to prevailing market rates, terms and conditions.
- (v) The dividend income arose from investment in wholesale unit trust fund which are made according to prevailing market terms and conditions.
- (vi) Payment of group function costs based on allocation rates governed by corporate service agreement and in line with Malaysian Transfer Pricing Guidelines and Organisation for Economic Co-operation and Development ("OECD") Transfer Pricing Guidelines. Group function services are derived from the immediate parent company in Singapore.

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25. RELATED PARTY DISCLOSURES (CONT'D.)

Related companies are companies within the OCBC group: (Cont'd.)

(vi) The table below shows the breakdown by type of services received and geographical location for inter company charges:

Geographical Location	Type of Services	01.01.2022 to 30.06.2022 RM	01.01.2021 to 30.06.2021 RM
Singapore	Group service charges for services rendered, which include those in respect of finance, legal, actuarial, support, human resources, operations, investment management, IT, internal audit and risk management services.	4,882	7,974
		<u>4,882</u>	<u>7,974</u>

(b) Compensation of Key Management Personnel

The remuneration of Directors and other members of key management during the period was as follows:

	30.06.2022 RM'000	30.06.2021 RM'000
Non-Executive Directors' fees	769	759
Short-term employee benefits	7,561	7,513
Post-employments benefits:		
Defined contribution plan - EPF	1,123	1,115
Share-based payment	2,642	1,253
	<u>12,095</u>	<u>10,640</u>
Share-based payment (in units)	<u>39,412</u>	<u>33,259</u>
Included in the total key management personnel remuneration are:		
CEO's and Directors' remuneration (Note 20)	<u>4,843</u>	<u>3,625</u>

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly. The key management personnel include all Directors, CEO, Senior Management Team, Chief Internal Auditor and Head of Compliance of the Company.

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26. FAIR VALUES OF ASSETS AND LIABILITIES

The management assessed that cash and short-term deposits, insurance and other receivables, insurance and other payables and other liabilities approximate their carrying amounts largely due to the short-term maturities of these assets and liabilities.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The carrying amounts of the Company's assets and liabilities approximate their respective fair values.

The following methods and assumptions were used to estimate the fair values which are carried or disclosed in the financial statements:

- The fair value of financial assets that are actively traded in organised financial markets is determined by reference to quoted market bid prices and closing prices as appropriate for assets at the close of business on the reporting date.
- For investments in quoted unit and real estate investment trusts, fair value is determined by reference to published net asset values. Investments in equity that do not have quoted market prices in an active market will be stated at adjusted net asset value.
- For financial instruments where there is no active market such as unquoted fixed income securities i.e. unquoted bonds, fair value is obtained from Bond Pricing Agency Malaysia Sdn. Bhd. ("BPAM") while for foreign bonds, fair value is obtained from ICE Data Service (IDC).
- For unquoted and unrated bonds, fair value is obtained from Bond Pricing Agency Malaysia Sdn. Bhd. ("BPAM").
- For structured deposits and derivatives, the fair value is obtained from banks.
- For investment properties, the fair value is obtained from valuations as performed by the external valuers using the income method and comparison method.

If the fair value cannot be measured reliably, these financial instruments are measured at cost, being the fair value of the consideration paid for the acquisition of the instrument or the amount received on issuing the financial liability. All transaction costs directly attributable to the acquisition are also included in the cost of the investment.

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26. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D.)

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

	Level 1	Level 2	Level 3	
		Valuation Techniques - Market Observable Inputs	Valuation Techniques - Unobservable Inputs	Total Fair Value
30 June 2022	Quoted market price RM'000	RM'000	RM'000	RM'000
<u>(a) Assets measured at fair value:</u>				
<u>Financial assets:</u>				
<u>FVOCI financial assets (Note 10(b)):</u>				
Equity securities:				
Quoted in Malaysia				
- Kuala Lumpur Stock Exchange	708,180	-	-	708,180
Quoted outside Malaysia				
- Singapore Exchange	207,458	-	-	207,458
- Hong Kong Exchange	346,623	-	-	346,623
Unquoted in Malaysia	-	-	75,490	75,490
Malaysian government securities	-	713,548	-	713,548
Debt securities:				
Unquoted in Malaysia	-	2,337,458	-	2,337,458
<u>FVTPL financial assets (Note 10(c)):</u>				
<u>Mandatorily measured</u>				
Equity securities:				
Quoted in Malaysia	19,696,146	-	-	19,696,146
Quoted outside Malaysia	3,444,198	-	-	3,444,198
Unquoted in Malaysia	-	564,480	75,594	640,074
Unquoted outside Malaysia	-	130,591	-	130,591
Debt securities:				
Quoted in Malaysia	763	-	-	763
Quoted outside Malaysia	286,632	-	-	286,632
Unquoted in Malaysia	-	2,720,735	-	2,720,735
Unquoted outside Malaysia	-	141,763	-	141,763
Unit and property trust funds:				
Quoted in Malaysia	445,367	-	-	445,367
Quoted outside Malaysia	293,884	-	-	293,884
Unquoted outside Malaysia	-	1,945,535	68,840	2,014,375
Unquoted in Malaysia	-	185,183	-	185,183

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26. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D.)

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities (Cont'd.).

	Level 1	Level 2	Level 3	
	Quoted market price RM'000	Valuation Techniques - Market Observable Inputs RM'000	Valuation Techniques - Unobservable Inputs RM'000	Total Fair Value RM'000
30 June 2022 (Cont'd.)				
<u>(a) Assets measured at fair value</u>				
<u>(Cont'd.):</u>				
<u>Financial assets: (Cont'd.)</u>				
<u>FVTPL financial assets (Note 10(c)):</u>				
<u>(Cont'd):</u>				
<u>Mandatorily measured (Cont'd)</u>				
Investment in subsidiary:				
Collective investment schemes				
Unquoted in Malaysia	-	1,520,435	-	1,520,435
<u>Designated upon initial recognition:</u>				
Malaysian government securities				
	-	9,204,630	-	9,204,630
Debt securities:				
Unquoted in Malaysia	-	30,898,537	-	30,898,537
Financial assets	<u>25,429,251</u>	<u>50,362,895</u>	<u>219,924</u>	<u>76,012,070</u>
<u>Non financial assets:</u>				
Investment Properties				
Commercial	-	-	746,081	746,081
Residential	-	-	232,000	232,000
Non current assets held for sales	-	-	238,000	238,000
Non financial assets	<u>-</u>	<u>-</u>	<u>1,216,081</u>	<u>1,216,081</u>
<u>(b) Liabilities measured at fair value:</u>				
<u>Financial liabilities</u>				
Derivatives (Note 14):				
Currency swaps	-	19,344	-	19,344
Bond Forward	-	37,843	-	37,843
Financial liabilities	<u>-</u>	<u>57,187</u>	<u>-</u>	<u>57,187</u>

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26. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D.)

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities (Cont'd.).

	Level 1	Level 2	Level 3	
	Valuation			
	Quoted market price RM'000	Techniques - Market Observable Inputs RM'000	Valuation Techniques - Unobservable Inputs RM'000	Total Fair Value RM'000
31 December 2021				
<u>(a) Assets measured at fair value:</u>				
<u>Financial assets:</u>				
<u>FVOCI financial assets (Note 10(b)):</u>				
Equity securities:				
Quoted in Malaysia				
- Kuala Lumpur				
Stock Exchange	624,854	-	-	624,854
Quoted outside Malaysia				
- Singapore Exchange	235,575	-	-	235,575
- Hong Kong Exchange	247,853	-	-	247,853
Unquoted in Malaysia	-	-	75,271	75,271
Malaysian government securities	-	584,139	-	584,139
Debt securities:				
Unquoted in Malaysia	-	1,816,075	-	1,816,075
<u>FVTPL financial assets (Note 10(c)):</u>				
<u>Mandatorily measured</u>				
Equity securities:				
Quoted in Malaysia	20,996,549	-	-	20,996,549
Quoted outside Malaysia	3,638,388	-	-	3,638,388
Unquoted in Malaysia	-	692,267	75,465	767,732
Unquoted outside Malaysia	-	128,156	-	128,156
Debt securities:				
Quoted in Malaysia	831	-	-	831
Quoted outside Malaysia	330,486	-	-	330,486
Unquoted in Malaysia	-	2,458,842	-	2,458,842
Unquoted outside Malaysia	-	207,497	-	207,497
Unit and property trust funds:				
Quoted in Malaysia	469,879	-	-	469,879
Quoted outside Malaysia	321,076	-	-	321,076
Unquoted outside Malaysia	-	2,224,493	41,134	2,265,627
Unquoted in Malaysia	-	220,969	-	220,969

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26. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D.)

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities (Cont'd.).

	Level 1	Level 2	Level 3	
		Valuation Techniques - Market	Valuation Techniques - Unobservable	
	Quoted market price	Observable Inputs	Inputs	Total Fair Value
31 December 2021 (Cont'd.)	RM'000	RM'000	RM'000	RM'000
<u>(a) Assets measured at fair value</u>				
<u>(Cont'd.):</u>				
<u>Financial assets: (Cont'd.)</u>				
<u>FVTPL financial assets (Note 10(c)):</u>				
<u>(Cont'd):</u>				
<u>Mandatorily measured (Cont'd)</u>				
Investment in subsidiary:				
Collective investment schemes				
Unquoted in Malaysia	-	1,573,826	-	1,573,826
<u>Designated upon initial recognition:</u>				
Malaysian government securities				
	-	9,465,234	-	9,465,234
Debt securities:				
Unquoted in Malaysia	-	32,316,748	-	32,316,748
Financial assets	<u>26,865,491</u>	<u>51,688,246</u>	<u>191,870</u>	<u>78,745,607</u>
<u>Derivatives (Note 14):</u>				
Currency swaps	-	2,023	-	2,023
Bond Forward	-	5,308	-	5,308
	<u>-</u>	<u>7,331</u>	<u>-</u>	<u>7,331</u>
<u>Non financial assets:</u>				
Investment Properties				
Commercial	-	-	982,270	982,270
Residential	-	-	232,000	232,000
Non financial assets	<u>-</u>	<u>-</u>	<u>1,214,270</u>	<u>1,214,270</u>
<u>(b) Liabilities measured at fair value:</u>				
<u>Financial liabilities</u>				
<u>Derivatives (Note 14):</u>				
Currency swaps	-	19,335	-	19,335
Bond Forward	-	4,428	-	4,428
Forward Foreign Exchange	-	1	-	1
	<u>-</u>	<u>23,764</u>	<u>-</u>	<u>23,764</u>

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26. FAIR VALUES OF ASSETS AND LIABILITIES (CONT'D.)

(i) Information about significant unobservable inputs used in Level 3 fair value measurements:

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3):

Description	Fair value as at 30 June 2022 RM'000	Valuation techniques	Unobservable inputs	Range (weighted average)
<u>Investment properties</u>				
Commercial properties	545,000	Income approach	Estimated Value p.s.f	RM1,191
Commercial properties	201,081	Comparison approach	Estimated Value p.s.f	RM33 - RM1,250
Residential properties	225,000	Comparison approach	Estimated Value p.s.f	RM639 - RM727
Residential properties	7,000	Income approach	Estimated Value p.s.f	RM40
<u>Non current assets held for sales</u>				
Commercial properties	238,000	Income approach	Rental per square foot ("p.s.f.") per month Rental growth rate (upon Revisionary) Long-term vacancy rate Discount rate	RM2.50 - RM5.40 0.00% 12.50% 5.75% - 6.00%
<u>FVOCI financial assets</u>				
Unquoted equities	75,490	Adjusted net asset value ⁽¹⁾	Net tangible assets	not applicable
<u>FVTPL financial assets</u>				
Unquoted equities	75,594	Adjusted net asset value ⁽¹⁾	Net tangible assets	not applicable
Private equity fund	68,840	Adjusted net asset value ⁽¹⁾	Net tangible assets	not applicable

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26. FAIR VALUES OF ASSETS AND LIABILITIES (CONT'D.)

(i) Information about significant unobservable inputs used in Level 3 fair value measurements: (Cont'd.)

The following table shows the information about fair value measurements using significant unobservable inputs (Level 3): (Cont'd.)

Description	Fair value as at 31 December 2021 RM'000	Valuation techniques	Unobservable inputs	Range (weighted average)
<u>Investment properties</u>				
Commercial properties	238,000	Income approach	Rental per square foot ("p.s.f.") per month Rental growth rate (upon Revisionary) Long-term vacancy rate Discount rate	RM2.50 - RM5.40 0.00% 12.50% 5.75% - 6.00%
Commercial properties	545,000	Income approach	Estimated Value p.s.f	RM1,191
Commercial properties	199,270	Comparison approach	Estimated Value p.s.f	RM33 - RM1,250
Residential properties	225,000	Comparison approach	Estimated Value p.s.f	RM639 - RM727
Residential properties	7,000	Income approach	Estimated Value p.s.f	RM40
<u>FVOCI financial assets</u>				
Unquoted equities	75,271	Adjusted net asset value ⁽¹⁾	Net tangible assets	not applicable
<u>FVTPL financial assets</u>				
Unquoted equities	75,465	Adjusted net asset value ⁽¹⁾	Net tangible assets	not applicable
Private equity fund	41,134	Adjusted net asset value ⁽¹⁾	Net tangible assets	not applicable

⁽¹⁾ These investments are valued using adjusted net asset value. The net asset value of these investments as at the reporting period is an unobservable input as it is not published. Accordingly, these investments are classified as Level 3 investments within the fair value hierarchy. A reasonable change to the significant unobservable inputs is not expected to have material impact to the total equity of the Company.

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26. FAIR VALUES OF ASSETS AND LIABILITIES (CONT'D.)

(ii) Movements in level 3 assets and liabilities measured at fair value:

The following tables present the reconciliation for all assets measured at fair value based on significant unobservable inputs (Level 3):

	Fair value measurements using significant unobservable inputs (Level 3)					
	FVOCI	FVTPL		Investment properties	Non current assets held for sales	Total
	Financial assets	Financial assets	Financial assets			
Unquoted equities	Private equities	Investment properties	Non current assets held for sales	Total		
30 June 2022	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Opening balance	75,271	75,465	41,134	1,214,270	-	1,406,140
Total gain for the period:						
Changes in fair value						
- Included in statement of profit or loss	-	129	6,458	-	-	6,587
- Included in other comprehensive income	219	-	-	-	-	219
Addition for the period:						
Additions	-	-	27,593	1,811	-	29,404
Transfer from property and equipment	-	-	-	-	-	-
Write-off	-	-	-	-	-	-
Disposal for the period:						
Disposal	-	-	(6,345)	-	-	(6,345)
Reclassification for the period:						
Reclass to non current asset held for sales	-	-	-	(238,000)	238,000	-
Closing balance	75,490	75,594	68,840	978,081	238,000	1,436,005

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26. FAIR VALUES OF ASSETS AND LIABILITIES (CONT'D.)

(ii) Movements in level 3 assets and liabilities measured at fair value: (Cont'd.)

The following tables present the reconciliation for all assets measured at fair value based on significant unobservable inputs (Level 3): (Cont'd.)

	Fair value measurements using significant unobservable inputs (Level 3)					
	FVOCI		FVTPL		Investment properties	Total
	Financial assets	Financial assets	Financial assets			
Unquoted equities	Private equities					
31 December 2021	RM'000	RM'000	RM'000	RM'000	RM'000	
Opening balance	78,203	83,330	-	1,129,470	1,291,003	
Total gain for the year:						
Changes in fair value						
- Included in statement of profit or loss	-	15,636	(885)	(35,454)	(20,703)	
- Included in other comprehensive income	(2,932)	-	-	-	(2,932)	
Addition for the year:						
Additions	-	-	45,787	539	46,326	
Transfer from property and equipment	-	-	-	119,715	119,715	
Write-off	-	-	-	-	-	
Disposal for the year:						
Disposals	-	(23,501)	(3,768)	-	(27,269)	
Closing balance	75,271	75,465	41,134	1,214,270	1,406,140	

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26. FAIR VALUES OF ASSETS AND LIABILITIES (CONT'D.)

Fair value Hierarchy

The Company classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 Assets/liabilities are those of which market values are determined in whole or in part by reference to published quotes in an active market. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those process represent actual and regularly occurring market transactions on an arm's length basis.
- Level 2 Assets/liabilities are those of which market values are measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions. These type of assets/liabilities includes assets/liabilities of which pricing is obtained via pricing services but where prices have not been determined in an active market, financial assets/financial liabilities with fair values based on broker quotes, investments in private equity funds with fair values obtained from counterparties and assets/liabilities that are valued using the Company's own model whereby the majority of assumptions are market observable.
- Level 3 Assets/liabilities are those of which market values are measured using a valuation technique based on assumptions formed from unobservable inputs. Unobservable inputs are inputs not supported by market data, but which are set on the basis that they represent what is reasonable given the prevailing market conditions.

There have been no transfers of assets between Level 1 and Level 2 of the fair value hierarchy during the current interim period and the comparative period.

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27. INSURANCE FUNDS

The Company's activities are organised by funds and segregated into Life Insurance (including Unit-Linked business) and Shareholder's Funds in accordance with the Financial Services Act, 2013. The Condensed Statement of Profit or Loss and Condensed Statement of Financial Position by funds are presented as follows:

Condensed Statement of Financial Position by Funds
As at 30 June 2022

	Shareholder's Funds		Life Insurance Fund		Elimination*		Total	
	30.06.2022	31.12.2021	30.06.2022	31.12.2021	30.06.2022	31.12.2021	30.06.2022	31.12.2021
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Assets								
Financial investments	2,589,499	1,979,292	78,715,381	82,168,720	-	-	81,304,880	84,148,012
Reinsurance assets	-	-	120,839	128,057	-	-	120,839	128,057
Insurance receivables	-	-	323,146	354,683	-	-	323,146	354,683
Other assets	2,254,401	2,484,145	6,848,914	6,925,522	(1,831,246)	(2,451,654)	7,272,069	6,958,013
	<u>4,843,900</u>	<u>4,463,437</u>	<u>86,008,280</u>	<u>89,576,982</u>	<u>(1,831,246)</u>	<u>(2,451,654)</u>	<u>89,020,934</u>	<u>91,588,765</u>
Equity, Policyholders' Fund and Liabilities								
Total Equity	<u>4,349,607</u>	<u>4,229,277</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,349,607</u>	<u>4,229,277</u>
Insurance contract liabilities	-	-	82,139,709	84,633,108	-	-	82,139,709	84,633,108
Other liabilities	494,293	234,160	3,868,571	4,943,874	(1,831,246)	(2,451,654)	2,531,618	2,726,380
	<u>494,293</u>	<u>234,160</u>	<u>86,008,280</u>	<u>89,576,982</u>	<u>(1,831,246)</u>	<u>(2,451,654)</u>	<u>84,671,327</u>	<u>87,359,488</u>
Total Policyholders' Fund and Liabilities	<u>4,843,900</u>	<u>4,463,437</u>	<u>86,008,280</u>	<u>89,576,982</u>	<u>(1,831,246)</u>	<u>(2,451,654)</u>	<u>89,020,934</u>	<u>91,588,765</u>

* Refers to elimination of Interfund balances.

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27. INSURANCE FUNDS (CONT'D.)

Condensed Statement of Profit or Loss by Funds
For the six months ended 30 June 2022

	Shareholder's Funds		Life Insurance Fund		Elimination **		Total	
	01.01.2022 to 30.06.2022 RM'000	01.01.2021 to 30.06.2021 RM'000	01.01.2022 to 30.06.2022 RM'000	01.01.2021 to 30.06.2021 RM'000	01.01.2022 to 30.06.2022 RM'000	01.01.2021 to 30.06.2021 RM'000	01.01.2022 to 30.06.2022 RM'000	01.01.2021 to 30.06.2021 RM'000
Gross earned premiums	-	-	4,580,910	4,515,322	(3,294)	(3,353)	4,577,616	4,511,969
Earned premiums ceded to reinsurers	-	-	(183,502)	(200,068)	-	-	(183,502)	(200,068)
Net earned premiums	-	-	4,397,408	4,315,254	(3,294)	(3,353)	4,394,114	4,311,901
Investment income	48,547	49,096	1,706,156	1,699,499	-	-	1,754,703	1,748,595
Fees and commission income	-	-	4,080	107,275	-	-	4,080	107,275
Gains and losses and other operating revenue	(19,286)	(18,955)	(4,161,600)	(2,636,859)	-	-	(4,180,886)	(2,655,814)
Other revenue	29,261	30,141	(2,451,364)	(830,085)	-	-	(2,422,103)	(799,944)
Gross benefits and claims paid	-	-	(3,638,832)	(3,001,242)	-	-	(3,638,832)	(3,001,242)
Claims ceded to reinsurers	-	-	204,697	164,901	-	-	204,697	164,901
Gross change in contract liabilities	-	-	2,779,008	849,878	-	-	2,779,008	849,878
Change in contract liabilities ceded to reinsurers	-	-	(7,387)	2,269	-	-	(7,387)	2,269
Net benefits and claims	-	-	(662,514)	(1,984,194)	-	-	(662,514)	(1,984,194)
Depreciation and amortisation	(336)	(336)	(27,641)	(25,986)	-	-	(27,977)	(26,322)
Other operating and management expenses	(43,587)	(38,520)	(857,640)	(885,168)	3,294	3,353	(897,933)	(920,335)
Taxation attributable to life insurance business	-	-	305,257	114,027	-	-	305,257	114,027
Other expenses	(43,923)	(38,856)	(580,024)	(797,127)	3,294	3,353	(620,653)	(832,630)
Profit from operations	(14,662)	(8,715)	703,506	703,848	-	-	688,844	695,133
Transfer from Life Insurance Fund*	703,506	703,848	(703,506)	(703,848)	-	-	-	-
Profit before taxation	688,844	695,133	-	-	-	-	688,844	695,133
Taxation attributable to shareholders (Note 21(b))	(196,151)	(164,346)	-	-	-	-	(196,151)	(164,346)
Net profit for the period	492,693	530,787	-	-	-	-	492,693	530,787

* The amount transferred from the Life Insurance Fund to the Shareholder's Fund is net of tax.

** Refers to elimination of interfund transactions

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27. INSURANCE FUNDS (CONT'D.)

Condensed Statement of Cash Flow by Funds
For the six months ended 30 June 2022

	Shareholder's Funds		Life Insurance Fund		Total	
	01.01.2022 to 30.06.2022 RM'000	01.01.2021 to 30.06.2021 RM'000	01.01.2022 to 30.06.2022 RM'000	01.01.2021 to 30.06.2021 RM'000	01.01.2022 to 30.06.2022 RM'000	01.01.2021 to 30.06.2021 RM'000
Cash flow from:						
Operating activities	682,223	480,407	(159,817)	751,324	522,406	1,231,731
Investing activities	-	-	(22,041)	(70,461)	(22,041)	(70,461)
Financing activities	(320,000)	(250,000)	(466)	(570)	(320,466)	(250,570)
Increase/(decrease) in cash and cash equivalents	362,223	230,407	(182,324)	680,293	179,899	910,700
Cash and cash equivalents:						
At beginning of period	20,872	63,087	4,489,319	3,481,055	4,510,191	3,544,142
At end of period	383,095	293,494	4,306,995	4,161,348	4,690,090	4,454,842